



## European Food Safety Authority

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### Management Board Meeting

20 June 2006

#### FINANCIAL PERSPECTIVES - PDB 2007

1. The European Parliament, the Council and the Commission have finalised the EU's budgetary framework for the 2007-2013 period together with a number of provisions on budgetary discipline and improvement of the EU's annual budgetary procedure.

The new inter-institutional agreement (IIA) will enter into force on 1 January 2007, replacing an existing agreement dating from May 1999. It is based on the consensus reached by the European Council on 16 December on the EU's budgetary framework for the 2007-2013 period. This agreement provides for EU spending of up to EUR 864 billion over the 2007-2013 period.

The new overall ceiling is 'only' EUR 2 billion higher than the European Council's December consensus, whereas the agreement with Parliament in fact allows for an increase in expenditure of EUR 4 billion. This is achieved by removing from the financial framework a EUR 1.5 billion emergency aid reserve and establishing it outside the framework, and by reducing the heading for administrative expenditure by EUR 500 million.

The EUR 4 billion extra spending is allocated amongst the various Headings out of which EUR 500 million for Heading 3B :

- Culture, youth, Citizens for Europe : EUR 300 million
- Health and consumer protection : EUR 200 million

2. Even with the additional financial resources, the budget allocations under Heading 3B will remain below the initial figures requested by DG SANCO, EFSA and ECDC.

For EFSA in particular, a revised planning was developed based on the experience of the first years of activity and the continued expansion of EFSA. The revised planning incorporates a less steep increase of both financial and human resources, takes into account the foreseeable new tasks to be devoted to EFSA in the short term while taking into account the extra burden of the relocation to Parma. It ends up with a lower number of staff and a reduction of EUR 88 million compared to the initial planning.

## MB 20.06.2006 – 9 Financial perspectives

(Figures in 2004 prices)

Initial Planning									
Year	2007	2008	2009	2010	2011	2012	2013	Total	
Budget (EUR million)	62	71	81	81	81	81	81	538	
Staff	300	350	400	400	400	400	400		
Revised planning									
Budget (EUR million)	54	61	65	66	67	68	69	450	-88
Staff	300	335	355	360	365	375	375		-25

The amounts in this table are in 2004 constant prices, this means that every year these amounts will be indexed to take inflation into account. These figures slightly deviate from the figures proposed by the Commission which were in total EUR 5.4 million below (EUR 445 million instead of EUR 450 million). However it has been indicated that flexibility exists.

- Concerning the Preliminary Draft Budget for 2007, the EUR 57 million request as approved by the Management Board in March corresponds, in current prices, to the 54 million figure indicated in the table. The 2007 Work Programme Budget was indeed based on the assumption that in 2007 EFSA will receive a budget of €57 million and have a staff of 300. Final decision on the budget for 2007 will be taken mid December 2006 by the budgetary authority. Currently the council is having the first reading of the general budget of the communities and there are still many steps to go through.

For what concerns the budget execution over the period 2007 – 2013, it has been agreed with DG SANCO, ECDC and EFSA that close monitoring during the years will allow to estimate in the summer shortfall or excess of funds which could lead to reallocations of the resources if need be.